

GUSBOURNE

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

A YEAR OF STRONG REVENUE GROWTH UNDERPINNED BY FURTHER STRATEGIC PROGRESS

“We use our detail-obsessed,
sustainable approach to craft, sell and
serve world-class English wine.”

Jonathan White
Chief Executive Officer



Agenda

- CEO: Highlights and Strategy Update
- CFO: Financial Review
- CEO: Conclusions and Outlook



01

HIGHLIGHTS AND STRATEGY UPDATE

2023 Summary: Continued Strong Progress

FINANCIAL HIGHLIGHTS

- Net revenue up by 13% to £7.1m, reflecting continued sales growth across all channels.
- Gross profit up 30% to £4.8m.
- Gross margin improved to 68.2% (2022: 59.2%).

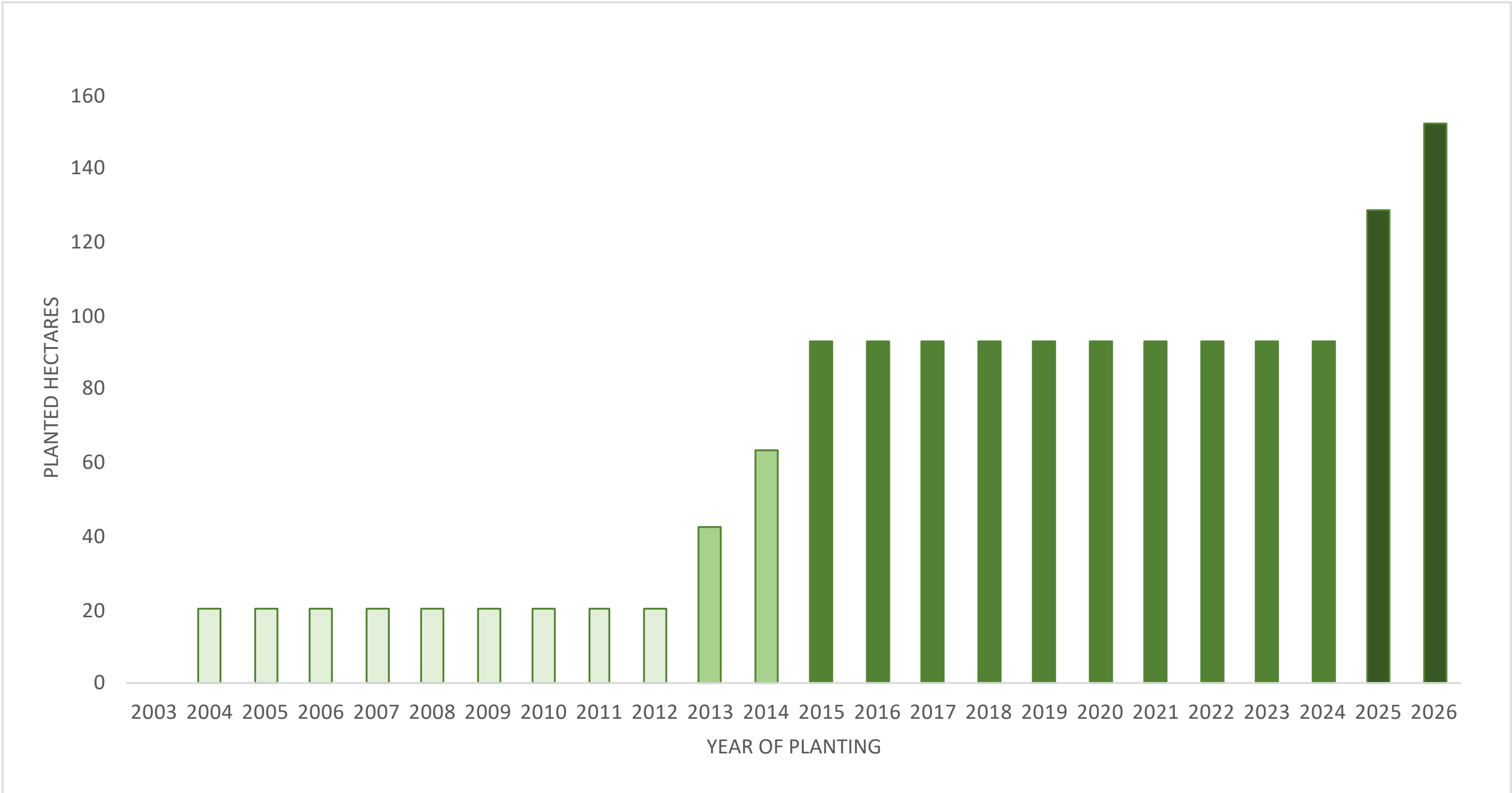
OPERATIONAL HIGHLIGHTS

- New CEO, CCO, COO and Board appointments.
- Exceptional 2023 harvest.
- Critically acclaimed follow-up release of 'Fifty One Degrees North' – England's most prestigious sparkling wine.
- Continued global expansion, with increased distribution in 33 international markets (2 new markets added in 2024) and further investment in new resources.
- A significant number of awards, gold medals and trophies won at international wine competitions.



Significant Increase In Land, Underpinning Future Growth

- 93 hectares of mature vineyards planted at Gusbourne in their sites in Kent and West Sussex.
- In 2022 the company purchased a further 55 hectares of new land in Kent.
- Gusbourne plans to plant an additional 59 hectares over both sites, bringing total planted vineyard area to 152 hectares.
- UK average yield is 7.4 tonnes/hectare (Nix, 2016).



Ongoing Enhancement Of Product Range



FIFTY ONE DEGREES NORTH - £195 RRP

Follow-on vintage launched in September 2023

Created to represent the pinnacle of English winemaking.

Exclusive launch through Berry Bros. & Rudd to target the wine collecting audience as well as a careful selection of the UK's leading restaurants.

Received critical acclaim with extensive PR in luxury media.



EXTRA BRUT AGRAFE - £85 RRP

Launched in December 2023

A classic blend aged entirely under cork. This Agrafe bottling is a first for Gusbourne – and for English wine.

Sold via DTC and to the trade to leverage sales of the core Gusbourne range.



ENGLISH ROSÉ - £25 RRP

Launched in April 2023

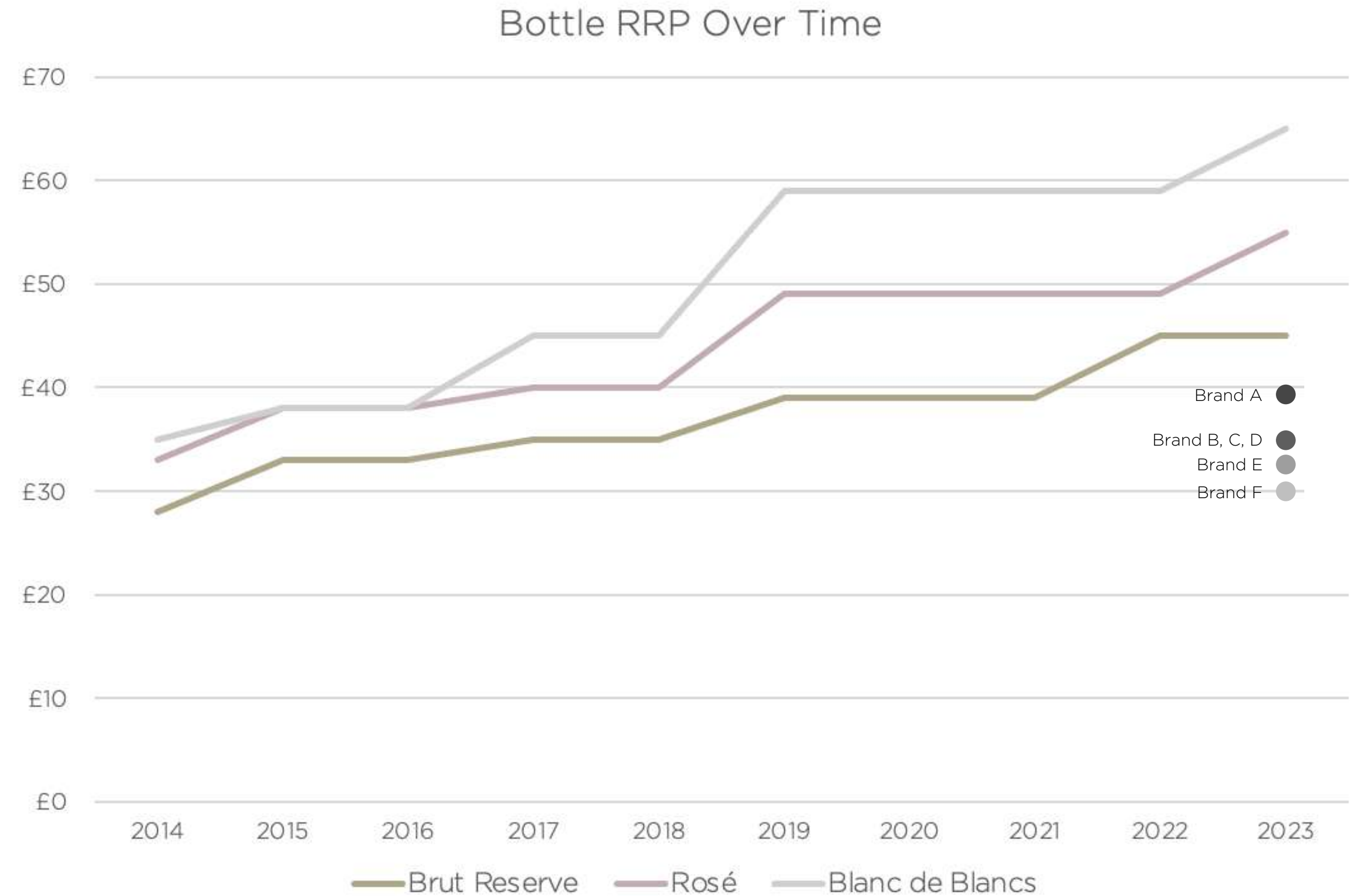
A special still rosé made from Pinot Noir and Pinot Meunier.

Modern, sleek and stylish design to challenge higher-end Provence style rosé.

Positioned alongside leading global rosé brands (*Whispering Angel, Mirabeau, Miraval*).

Price Positioning Maintained

- We use price as a differentiator and aim for our RRP's to be the highest in the category to maintain our premium positioning.
- Introducing new products enhances our brand proposition and suitable line extensions fill gaps in our range.
- We offer preferential prices to our members, but have a pricing policy that prioritises full price to our DTC customers.



Awards

Five trophies, including World Champion Classic Rosé Brut at the Champagne and Sparkling Wine World Championships 2023

A Best in Show award for Blanc de Blancs at the Decanter World Wine Awards 2023

Four trophies, including Top Still Wine as well as retaining Estate Winery of the Year, Best Chardonnay for the third year running and Best Sustainably Produced Wine at the Wine GB Awards 2023

Six further medals, including gold, at the Decanter World Wine Awards 2023

Eleven medals, including 5 gold at the Wine GB Awards 2023

Five gold medals at the Champagne and Sparkling Wine World Championships 2023

Judges' Selection, Platinum and Gold awards at the Texsom Awards 2023 in the USA

Best UK Cellar Door at the Decanter Retail Awards 2023

Awarded Top Winery of the Year Great Britain, by The Real Review for 2023

Exclusive partner for The Royal Collection Coronation English Sparkling Wine

Served at Buckingham Palace , Sandringham, Highgrove and Windsor Castle for Royal events and state banquets during 2023

GUSBOURNE 2024



40
medals won in
2023 international
wine competitions alone,
Including 20 gold and
platinum medals



Decanter



Strong Growth Across All Sales Channels

UK

UK Trade sales grew by 13% to £3.5m.

UK Trade sales represent 49% (2022: 49%) of net revenue.

The Company has established new trade accounts across premium hotels and restaurants to support the Gusbourne brand.

INTERNATIONAL

International sales grew by 7% to £1.5m and accounted for 21% of total net revenue (2022: 22%).

Gusbourne was distributed to 33 countries around the world in 2023.

DIRECT TO CONSUMER (DTC)

DTC net revenue grew by 18% to £2.0m driven by online sales and cellar door operations in Kent, representing 29% (2022: 27%) of net revenue for the year.

Increase in the number of visitors and spend per visitor.

Sustained DTC Growth

ONLINE

Driving awareness and reaching new audiences through investment in DOOH advertising.

Building our presence through paid media and increasing volume of sessions and purchases.

Creating rich and engaging content to share with growing consumer database, supporting compelling new wine releases and Nest experiences.

Developing new website features to improve user experiences and conversion rates.

Increasing the range of wine product and tour experiences available for sale online, including special events.

Our average customer orders 2.5 bottles online per transaction.

Website Revenue Growth



+11%

Website User Sessions



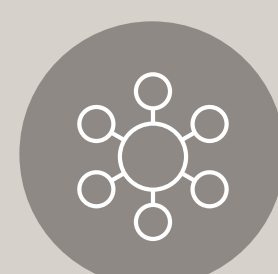
+27%

Website New Users

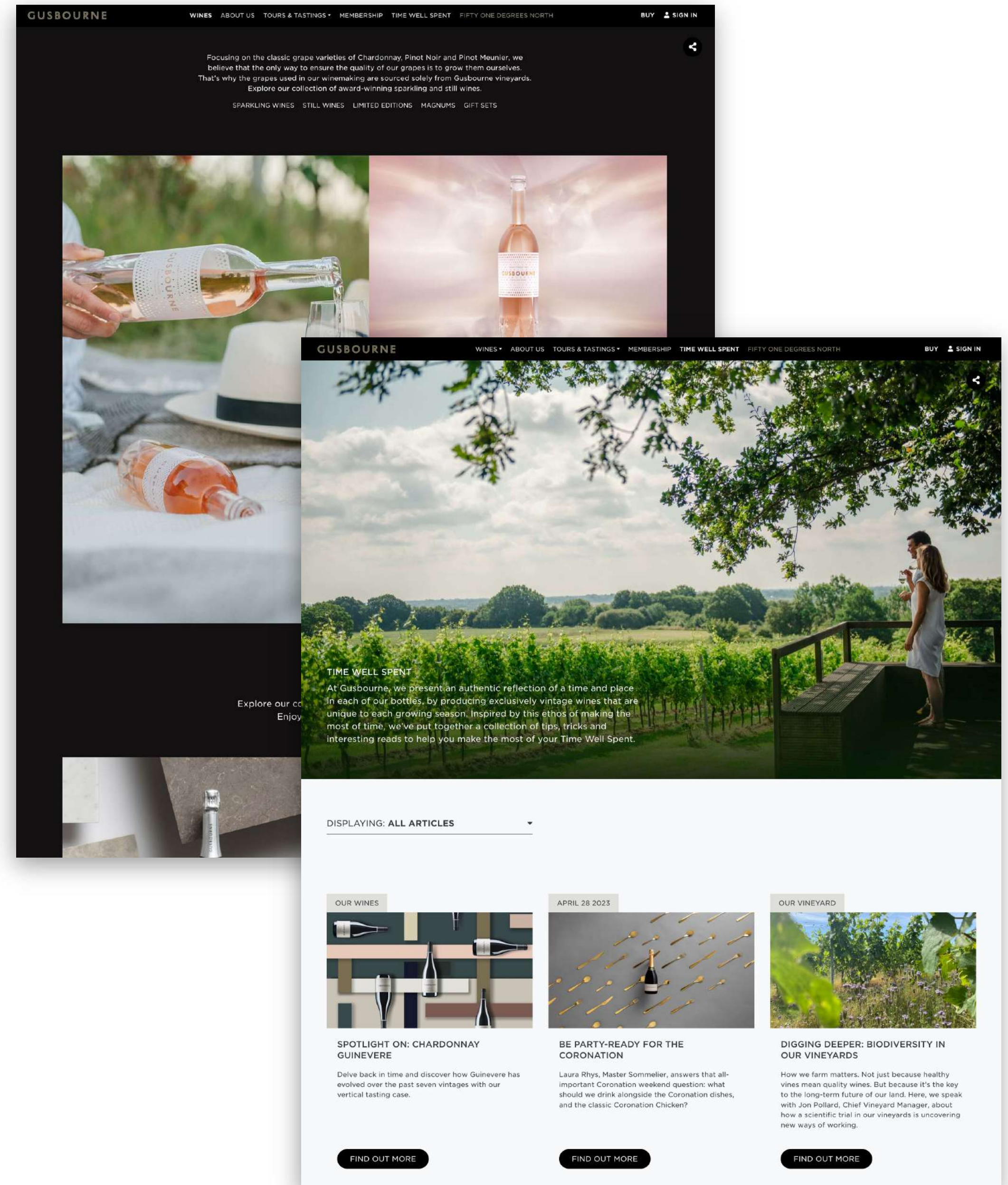


+32%

Database Growth



+15%



Sustained DTC Growth

THE NEST

Gusbourne welcomed 15,000 visitors to the Nest in 2023, Gusbourne's cellar door operation in Kent.

Our average visitor bought 1.1 bottles of wine, which increased marginally compared to 2022.

We offered a broader range of tasting and tour experiences and events, with price elasticity from £30 - £155 per person for our regular events, supplemented by Michelin-star restaurant pop-ups and other special events ranging from £105 - £215 per person.

Employing a Corporate Events Sales Manager and forging links with UK Inbound, Walpole and other networking groups has resulted in increased occupancy on typically low occupancy days.

We expanded overall capacity in H2 2023, creating two new tasting rooms and more outdoor seating. Full benefit to be enjoyed in 2024.

Two new membership schemes were launched during the year.

Nest Revenue Growth



+38%

Nest Visitors



+9%

Average Spend Per Visitor



+31%

Gusbourne Members



+5%



Sales Growth

Growth of UK Trade sales by 13% to £3.5m despite difficult economic outlook and decreasing consumer confidence.

Customer number grew by more than 10% to 750.

Continued focus on luxury F&B accounts that can deliver significant volumes and premium distribution. Key accounts in 2023 include:

- Listed in more than 20 of the best UK luxury country hotels via partnership with PoB Hotels
- One Hotel Mayfair
- The Gallivant
- Partnership with the Good Hotel Guide

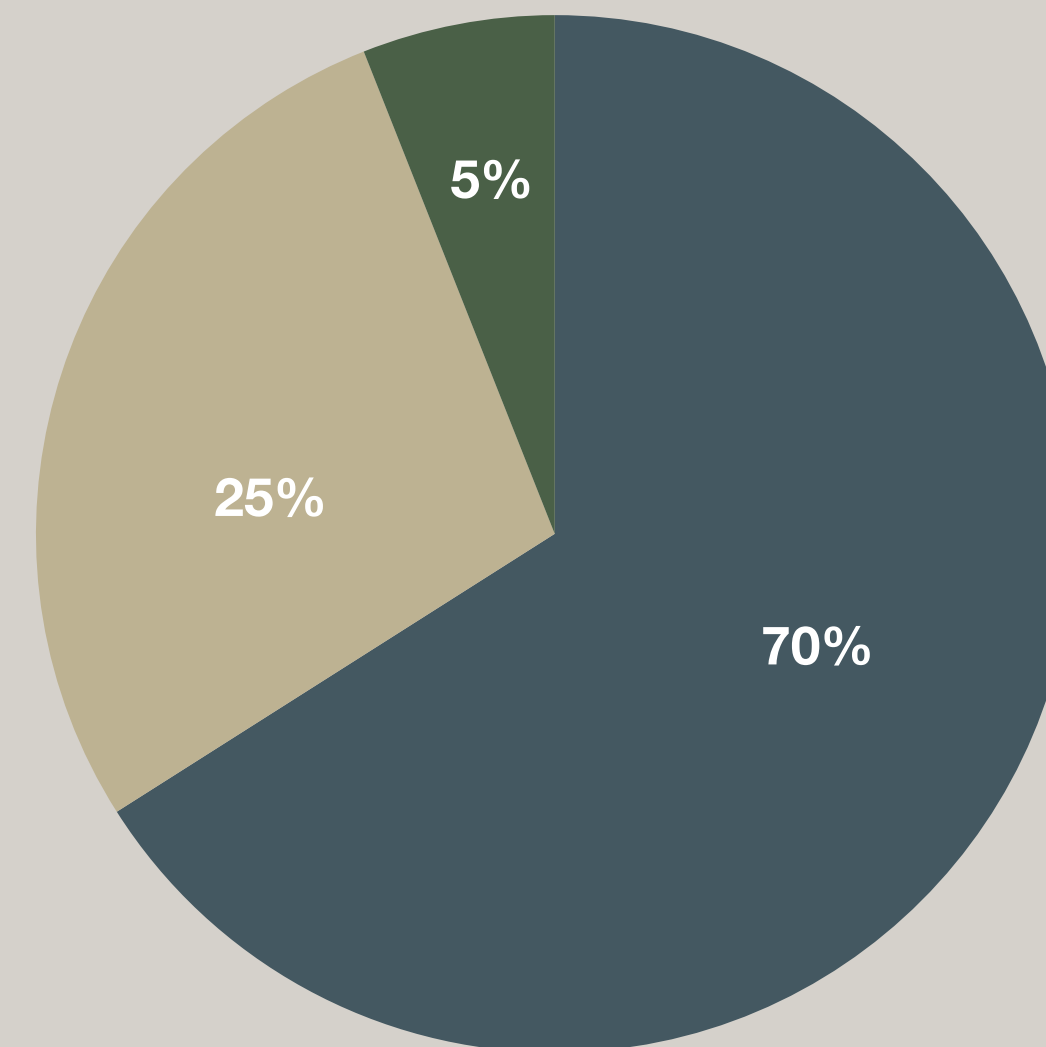
Addition of Gusbourne Exclusive Release Rosé alongside existing listing in selected Waitrose stores.

Corporate customer base doubled in 2023. Second team member added to focus on driving event business to the Nest.

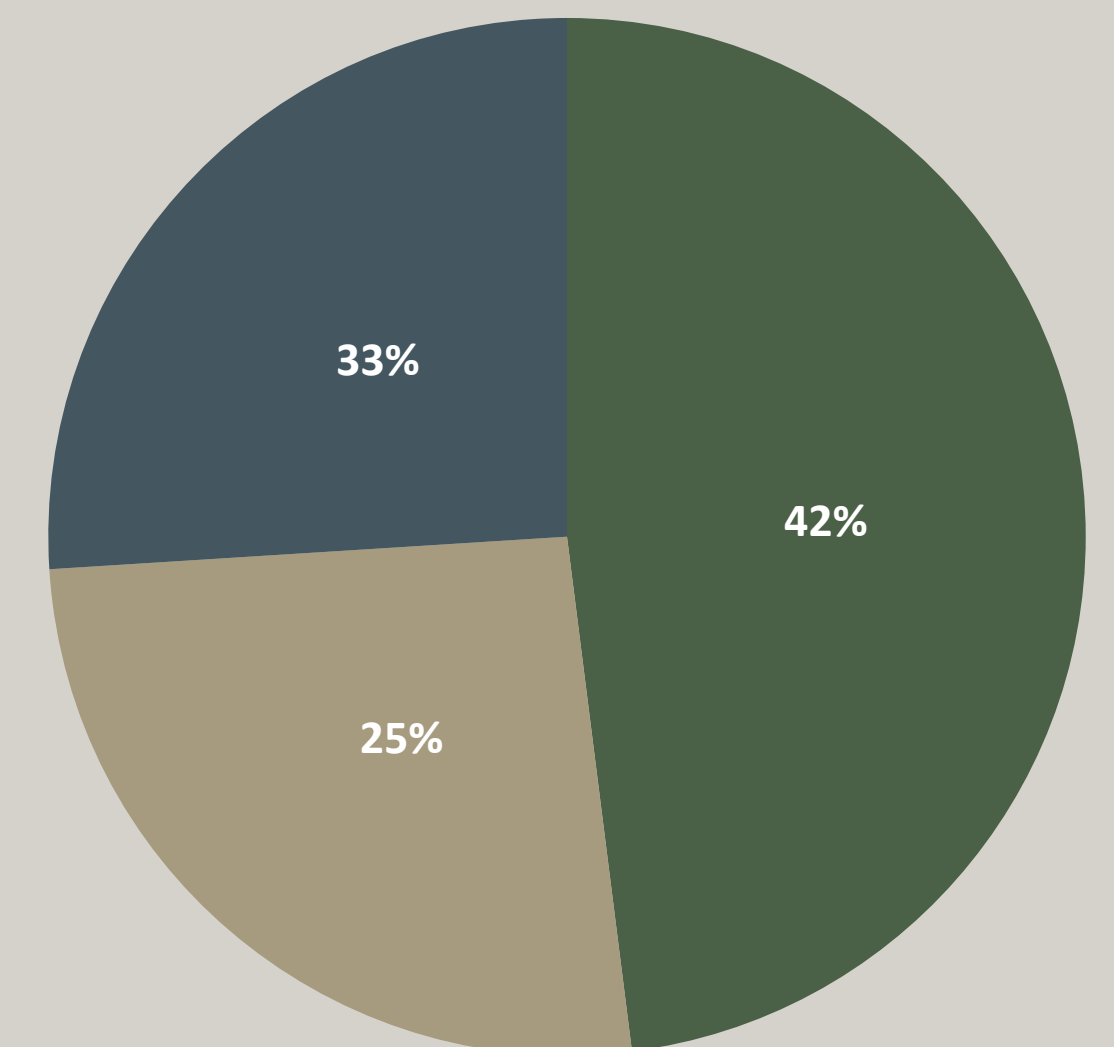


Client Concentration

UK trade account type (as % of client base)



UK trade account type by revenue %



Key Accounts

Average sales of 1500+ bottles p.a.

Large 5* hotels chains, event caterers, large premium retailers and Multiple off-trade



Premium Accounts

Average sales of 750 bottles p.a.

Premium off-trade retailers, large Michelin* restaurants and medium-sized 5* hotels



Core Accounts

Average sales of 100 bottles p.a.

Smaller, high-end restaurants and independent off-trade retailers

International Markets

SCANDINAVIA

Norway growth continued with monopoly listings for Rosé and Blanc de Noirs..

Sold out launch of Fifty One Degrees North in Norway.

Growth in Finnish market with increased on-trade distribution.

ASIA PACIFIC

Launch of Fifty One Degrees North into Japan, Hong Kong and Singapore consolidating our luxury position in these influential markets

Growth to 7 Asia markets with launch into strategically important Chinese market.

Asia Regional manager based in market recruited to drive sales from 2024.

AMERICAS

Maintained distribution and sales in 40+ US states despite tough market conditions.

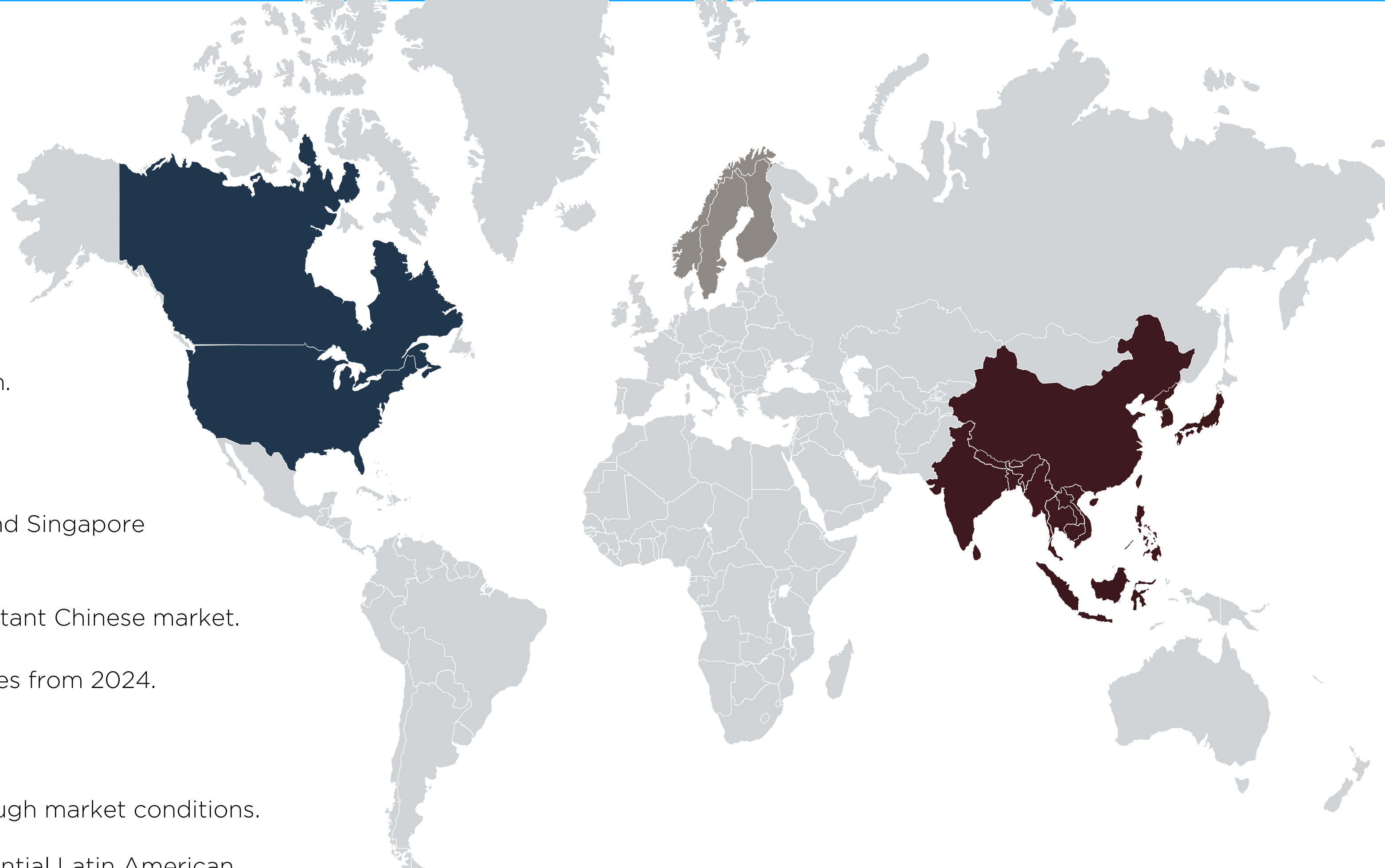
Added premium on-trade distributor in Brazil, the most influential Latin American wine market.

Grew distribution in Caribbean to include Barbados and Aruba.

REST OF WORLD

Distribution secured in key Belgian market with focus on premium gastronomy. Several listings with M* restaurants secured.

Addition of Turkish distributor as focus continues to target global cities such as Istanbul with luxury business and tourism, as well as international travel hubs.

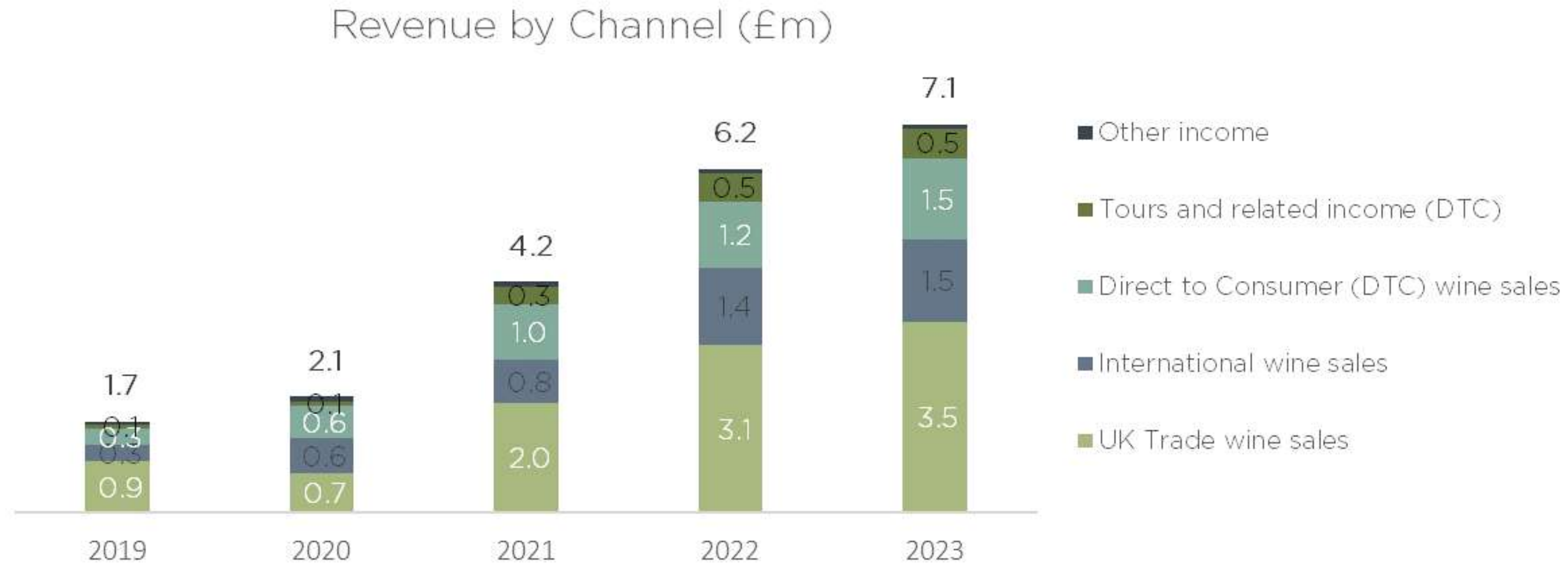


International Expansion	2019	2020	2021	2022	2023
Net Revenue £m	0.2	0.6	0.8	1.4	1.5
% of Net Wine Sales	19%	33%	21%	24%	23%
Number of Markets	16	21	23	30	33

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FINANCIAL REVIEW

Revenue Growth



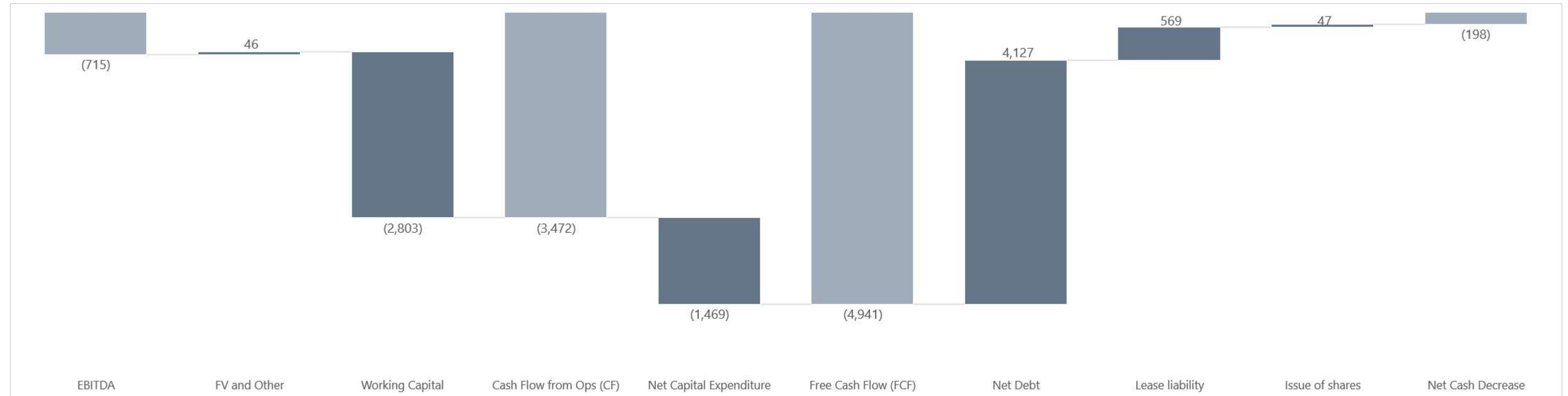
- Revenue growth across all segments
- Regular RRP price increases passed through

P&L Summary

	2021	2022	2023	Variance
	£m	£m	£m	%
Wine sales	4.2	6.2	7.1	12.8%
Other Income	0.4	0.6	0.6	1.0%
Gross sales	4.6	6.9	7.7	11.8%
Duty	(0.4)	(0.6)	(0.6)	-0.3%
Net revenue	4.2	6.2	7.1	13.0%
Gross profit	2.3	3.7	4.8	30.1%
Gross profit %	55.9%	59.2%	68.2%	9.0%
Sales & marketing expenses to sales ratio	-58.7%	-55.7%	-50.6%	5.2%
Administration expenses to sales ratio	-31.9%	-21.6%	-26.9%	-5.3%
Adjusted EBITDA (loss)/profit*	(1.5)	(1.1)	(0.7)	-42.1%
Adj EBITDA %	-34.7%	-18.1%	-9.3%	8.8%
EBITDA	(2.2)	(1.5)	(0.7)	-53.4%
EBITDA %	-51.5%	-24.1%	-9.9%	14.1%

- **Adjusted EBITDA** - loss from operations before fair value movement in biological produce, exceptional costs, interest, tax, depreciation and amortization. Exceptional costs comprise abortive capital expenditure.
- **EBITDA** - loss from operations before interest, tax, depreciation and amortisation.

2023 Key Cash Flow Movements



- Working capital investment mainly inventory to support long-term growth
- Capex - additional facilities and machinery
- Increased net debt supported by PNC facility and £1.5m short-term loan
- Increase in lease liability as new property lease (IFRS 16)

Key Balance Sheet Items

£'000	2021	2022	2023	Change
Fixed Assets	13,382	15,221	15,872	651
Inventories	10,638	12,579	15,546	2,967
Trade and other receivables	1,275	1,291	1,836	545
Trade and other payables	(1,118)	(1,500)	(1,880)	(380)
Working capital	10,795	12,370	15,502	3,132
Cash	3,128	269	71	(198)
PNC Business Credit (Asset finance facilities)	(9,326)	(12,373)	(16,627)	(4,254)
Short-term Loans			(1,500)	(1,500)
Lease liabilities	(2,094)	(2,078)	(2,763)	(685)
Total debt	(11,420)	(14,451)	(20,890)	(6,439)
Net Assets	15,885	13,409	10,555	(2,854)
Share Capital & Reserves	33,280	33,329	33,440	111
Retained Earnings	(17,395)	(19,920)	(22,885)	(2,965)
Equity	15,885	13,409	10,555	(2,854)

- **Fixed Assets** - £1.5m investment in enlarging Nest (cellar door) Facilities, vineyard and winery machinery and an additional property lease (IFRS 16) for storage.
- **Inventories** - Excellent harvest converted to stock
- **Financing** - additional financing secured - PNC facility increased and an additional £1.5 million short-term facility.
- **Lease liabilities** - additional lease noted above.

Guidance / Plans for 2024

DOUBLE DIGIT
REVENUE GROWTH

EBITDA BREAKEVEN

REDUCED CAPEX
EXPENDITURE



03

CONCLUSIONS AND OUTLOOK

2023: Great Progress

FINANCIAL HIGHLIGHTS

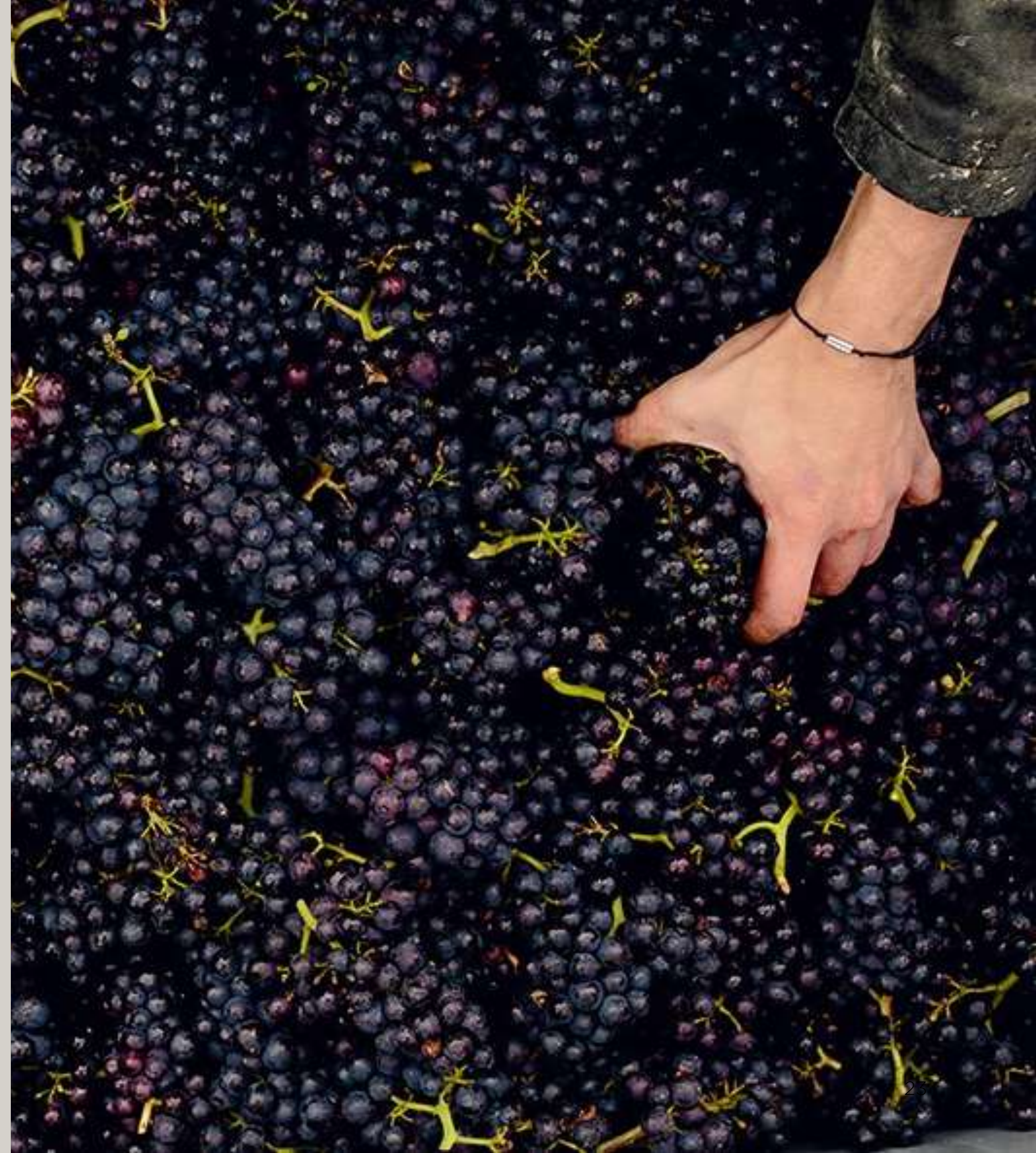
- Sustained YOY revenue growth across all channels.
- Gross margin up 900 basis points due to improvement in price/mix.

OPERATIONAL HIGHLIGHTS

- Exceptional harvest resulting in wines of excellent quality.
- Significant number of awards, medals and trophies won at international competitions.
- Launch of new vintage of luxury 'Fifty-One Degrees North' – England's most prestigious sparkling wine.

COMMERCIAL HIGHLIGHTS

- Strong growth in the UK trade with newly established distribution in premium hotels and restaurants.
- Continued expansion in international footprint, with distribution in over 35 export markets.
- Ongoing investment in digital and expansion of customer experiences and facilities.
- Gusbourne continues to be the most traded English wine producer on the Liv-ex fine wine market.





2024: Another Exciting Year Ahead

KEY FINANCIAL PRIORITIES

- Drive revenue growth through increased volume and improvements in price/mix.
- Achieve EBITDA breakeven.

KEY OPERATIONAL PRIORITIES

- Develop Gusbourne's meticulously crafted fine wine portfolio.
- Launch range of new single-vineyard still wines and core sparkling in alternative formats (magnums and half-bottles).
- Improve efficiency and maintain cost discipline.
- Maximise occupancy at the expanded Nest.

KEY COMMERCIAL PRIORITIES

- Optimise the new corporate team to deliver significant growth in wine and wine events sales at the Nest and beyond.
- Establish Gusbourne within the UK fine wine and private wine collecting client market.
- Expand export and global travel retail sales following the appointment of Asia Regional Manager.
- Improve our reach, build consumer audiences and strengthen international brand awareness.
- Drive acquisition of new members to our re-launched schemes.

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APPENDIX

Consolidated P&L – Years Ended 31 December – 5 Year Summary

Detailed P&L	2019	2020	2021	2022	2023	
	£'000	£'000	£'000	£'000	£'000	%
UK Trade	934	721	1,997	3,058	3,454	12.9%
Direct to Consumer (DTC)	299	586	1,016	1,185	1,489	25.7%
UK Wine Sales	1,233	1,307	3,013	4,243	4,943	16.5%
International	292	634	781	1,391	1,494	7.4%
Net wine sales	1,525	1,941	3,794	5,634	6,437	14.3%
Tour and related income (DTC)	71	90	309	525	525	-0.1%
Other Income *	57	78	87	84	90	7.5%
Net revenue*	1,653	2,109	4,190	6,243	7,052	13.0%
Cost of sales	(735)	(879)	(1,847)	(2,546)	(2,244)	-11.9%
Gross profit	918	1,230	2,344	3,697	4,808	30.1%
Sales and marketing expenses	(1,389)	(1,478)	(2,460)	(3,479)	(3,565)	2.5%
Administration expenses **	(814)	(1,073)	(1,336)	(1,349)	(1,912)	41.7%
Adjusted EBITDA Loss***	(1,285)	(1,321)	(1,452)	(1,131)	(669)	-40.9%
Fair value movement in biological produce	(172)	(221)	(704)	(239)	(46)	
Exceptional costs****	-	-	-	(132)	-	
EBITDA*****	(1,457)	(1,542)	(2,156)	(1,502)	(715)	-52.4%
Depreciation and Amortisation	(699)	(647)	(600)	(601)	(661)	10.0%
Finance expenses	(445)	(877)	(817)	(496)	(1,627)	228.0%
Loss before tax	(2,601)	(3,066)	(3,573)	(2,599)	(3,003)	15.5%
Tax expense	-	-	-	74	38	
Total comprehensive loss for the year	(2,601)	(3,066)	(3,573)	(2,525)	(2,965)	17.4%
Net revenue annual growth %	31.1%	27.6%	98.7%	49.0%	13.0%	
Net revenue 5-year CAGR	30.7%	34.8%	45.6%	44.3%	41.1%	
Gross profit %	55.5%	58.3%	55.9%	59.2%	68.2%	9.0%

* Excluding depreciation.

** Adjusted EBITDA means loss from operations before fair value movement in biological produce, interest, tax, depreciation and amortization.

*** Exceptional costs comprise abortive capital expenditure.

**** EBITDA means loss from operations before interest, tax, depreciation and amortisation.

Consolidated Balance Sheet – Years Ended 31 December – 5 Year Summary

Balance Sheet £'000	2019	2020	2021	2022	2023
Assets					
Freehold land and buildings	6,383	6,263	6,134	7,830	7,937
Right of use assets**	2,068	2,022	1,976	1,930	2,587
Vineyards	3,144	3,004	2,858	2,712	2,569
Plant, machinery and other equipment	1,636	1,504	1,375	1,726	1,772
Other receivables	90	38	32	16	-
Total non current assets	13,321	12,831	12,375	14,214	14,865
Inventories	7,463	9,325	10,638	12,579	15,546
Trade and other receivables	707	869	1,275	1,291	1,836
Trade and other payables	(752)	(769)	(1,118)	(1,500)	(1,880)
Working capital	7,418	9,425	10,795	12,370	15,502
Total operating assets	20,739	22,256	23,170	26,584	30,367
Cash	1,009	262	3,128	269	71
Goodwill	1,007	1,007	1,007	1,007	1,007
Total assets*	22,755	23,525	27,305	27,860	31,445
Debt					
PNC Business Credit (Asset finance facilities)	-	6,613	9,326	12,373	16,627
Other bank debt	2,058	-	-	-	-
Deep discount bonds	3,001	5,132	-	-	-
Short term debt	3,379	544	-	-	1,500
Lease liabilities**	2,123	2,108	2,094	2,078	2,763
Total debt	10,561	14,397	11,420	14,451	20,890
Equity	12,194	9,128	15,885	13,409	10,555
	22,755	23,525	27,305	27,860	31,445

* Net of trade and other payables.

** per IFRS 16.

Consolidated Cash Flow – Years Ended 31 December – 5 Year Summary

£'000	2019	2020	2021	2022	2023
Cash flows from operating activities					
Loss for the year before tax	(2,601)	(3,066)	(3,573)	(2,599)	(3,003)
Adjustments for:					
Depreciation of property, plant and equipment	699	647	599	601	661
Sale of property, plant and equipment	-	-	-	(28)	(14)
Finance expense	445	877	817	496	1,627
Tax					
Equity share options issued	-	-	-	7	64
Fair value movement in biological produce	172	221	704	239	46
Increase in trade and other receivables	(209)	(143)	(318)	74	(491)
Increase in inventories	(2,220)	(1,978)	(1,886)	(2,049)	(2,742)
Increase in trade and other payables	269	17	349	385	380
Cash outflow from operations	(3,445)	(3,425)	(3,308)	(2,874)	(3,472)
Investing activities					
Purchases of property, plant and equipment, excluding vineyard establishment	(339)	(254)	(195)	(2,502)	(1,485)
Investment in vineyard establishment	-	-	-	-	-
Sale of property, plant and equipment	11	-	-	28	16
Net cash from investing activities	(328)	(254)	(195)	(2,474)	(1,469)
Financing activities					
Short term loan	-	-	-	-	1,500
Capital loan repayments	(34)	(3,253)	(2,944)	(4,547)	(4,829)
New loans issued	3,250	6,796	5,584	7,620	8,570
Repayment of lease liabilities	(125)	(142)	(99)	(101)	(223)
New Lease Liabilities					792
Interest paid	(90)	(281)	(289)	(456)	(1,114)
Loan issue costs	(15)	(188)	(20)	(66)	-
Issue of ordinary shares	485	-	5,715	46	52
Share issue expense	-	-	(359)	(7)	(5)
Repayment of deep discount bonds	-	-	(1,219)	-	-
Net cash from financing activities	3,471	2,932	6,369	2,489	4,743
Net increase/(decrease) in cash and cash equivalents	(302)	(747)	2,866	(2,859)	(198)
Cash and cash equivalents at the beginning of the year	1,311	1,009	262	3,128	269
Cash and cash equivalents at the end of the year	1,009	262	3,128	269	71

Classic Sparkling Wines



BRUT RESERVE

This classic blend of Chardonnay, Pinot Noir and Pinot Meunier is our best-selling wine and the most robust expression of who we are.

Available via all sales channels.

GUSBOURNE 2024

BRUT ROSÉ

Comprised of a blend of Chardonnay, Pinot Noir and Pinot Meunier, our distinctive Rosé is a direct reflection of English summer.

Available via all sales channels.

BLANC DE BLANCS

Receiving extensive ageing in bottle, this 100% Chardonnay is the purest expression of our unique soils and an elegant example of this classic style.

Available via all sales channels.

BLANC DE NOIRS

Characteristically deep and complex, rich and powerful, this wine is made using carefully selected parcels of just Pinot Noir.

Available via all sales channels.

Limited-Edition Sparkling Wines



AGRAFE

A classic blend aged entirely under cork. This Agrafe bottling is a first for Gusbourne – and for English wine as a whole.

Available via all sales channels, but strictly allocated and controlled.

GUSBOURNE 2024



SINGLE VINEYARD

Our single-vineyard sparkling wines highlight the terroir potential and subtle differences of our vineyards in Kent and West Sussex.

Available via all sales channels, but strictly allocated and controlled.



LATE DISGORGED

Every year, we release a small number of late-disgorged wines. These are particularly luxurious and fine thanks to a special winemaking technique.

Available via all sales channels, but strictly allocated and controlled.



FIFTY ONE DEGREES NORTH

Our most exclusive vintage wine to date and a truly wonderful expression of time and place.

Available via all sales channels, but strictly allocated and controlled.

Retail and White-Label Sparkling Wines



EXCLUSIVE RELEASE

A classic blend of Chardonnay, Pinot Noir and Pinot Meunier grown entirely in our own vineyards.

Produced exclusively for Waitrose.

GUSBOURNE 2024



LIMITED RELEASE

A classic blend of Chardonnay, Pinot Noir and Pinot Meunier grown entirely in our own vineyards.

Produced for Ocado and Cunard.



WHITE-LABEL WINES

Our Limited Release wine is also sold as a white-label product, where our trade partners provide their own personalised labels to dress the bottles. In some cases, Gusbourne is named as the producer. In others, we are not named.



WHITE-LABEL PARTNERS

The Royal Collection (Platinum Jubilee and King's Coronation), Fortnum & Mason Own Label (a Rosé version) and Daylesford.

Classic Still Wines



ENGLISH ROSÉ

A Rosé that is made for the moment, and produced from Pinot Noir and Pinot Meunier.

Available via all sales channels.

GUSBOURNE 2024



PINOT MEUNIER

A still red wine produced from just Pinot Meunier. Often this wine is a single vineyard product.

Available via DTC only.



CHARDONNAY GUINEVERE

A barrel fermented Chardonnay. Single vineyard, non 'Guinevere' wines are also produced in most vintages.

Available via all sales channel, but stock is controlled by allocations.



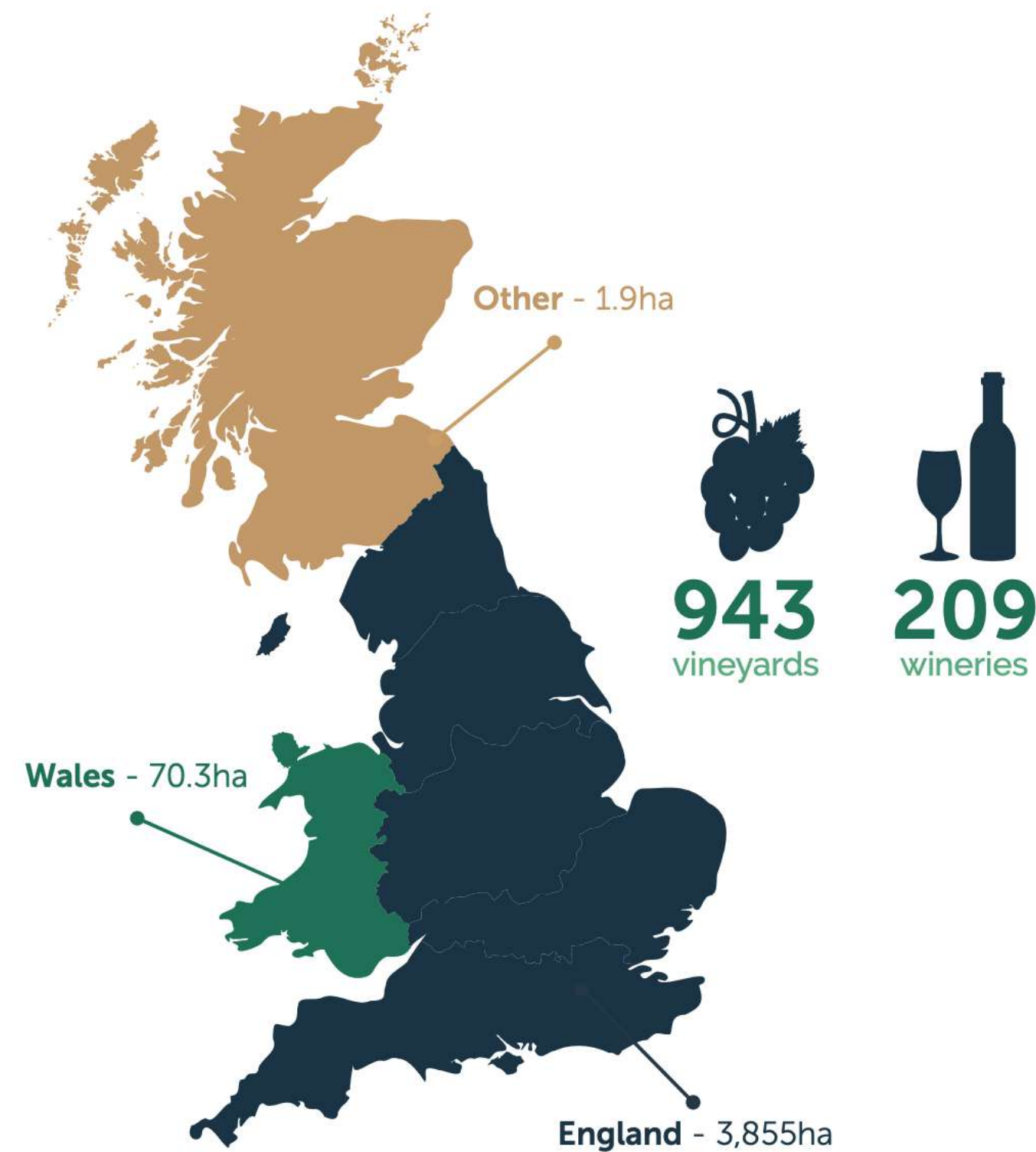
PINOT NOIR

A barrel fermented Pinot Noir. Single vineyard wines are also produced in most vintages.

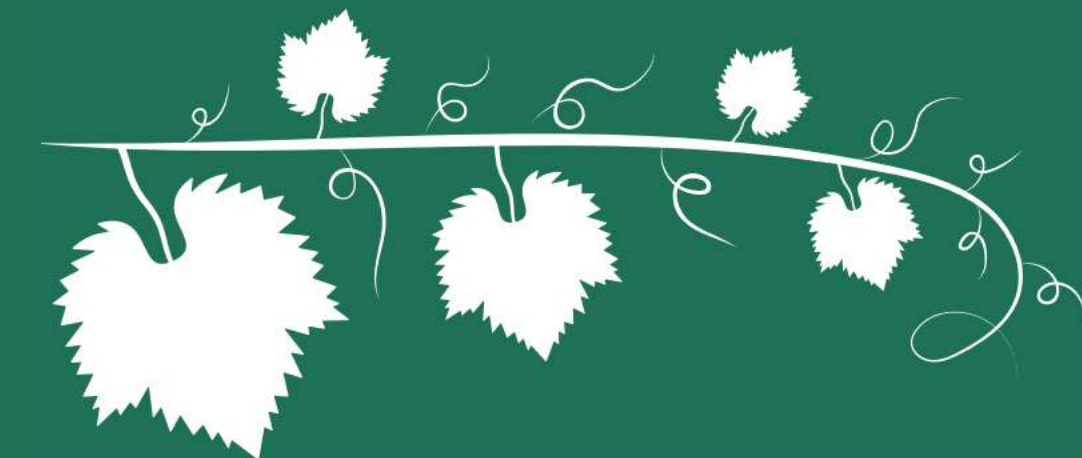
Available via all sales channel, but stock is controlled by allocations.

Planting and Production

Vineyards & Wineries



Hectarage & Plantings



3,928ha*
under vine in Britain

UP
74%
in five years

Active vineyards (commercial vineyards in active production) now total 3,230ha and account for 82% of total hectarage. The average yield from these active vineyards is 4.8 tonnes per hectare. A further 600ha is still to come into commercial production (i.e., the vines have recently been planted) and are counted as non-productive. The remaining hectarage comes from hobby (non-commercial) and abandoned vineyards.



Source: Wine Standards

